

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS September 30, 2020

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J. OWEN COLE, JR.
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

**MANAGEMENT OVERVIEW
September 30, 2020**

Balance Sheet

Assets: Interest receivable consists of investments in U.S. Treasury securities.

Current Liabilities: Dividend & Interest expenses for the month were \$210 thousand in September 2020.

Other Liabilities: Other liabilities include pending redemption of \$119 thousand that was reclassified from capital stock.

Capital Stock includes \$418 million from corporate credit unions that joined the CLF as Agent Members.

Retained Earnings include year to date net income of \$1,675 thousand.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$455 thousand or current month's average yield of 0.56%. This is consistent with prior month's average yield.

Expense: Operating expenses for the month were \$89 thousand.

Net Income: Net income before dividends was \$365 thousand for the month which is similar to prior month.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of September 30, 2020 and September 30, 2019, CLF's statutory borrowing authority were as follows:

(Dollars in billions)	September 30, 2020	September 30, 2019
Under Statutory Borrowing Authority 12 times Capital Stock and Surplus	\$24.3B	\$7.4B
During CARES Act Period* 16 times Capital Stock and Surplus	\$32.4B	n/a

Investment Purchases: \$0.

Maturities of Treasury Notes: \$4,000,000.00.

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$935,905,350, and U.S. Treasury Cash \$97,661,158.

Regular Membership: 339. Agent Membership: 11.

Loans: \$0, Borrowing Activity: \$0.

*The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") spans from the date it was signed into law until the date it sunsets (March 27, 2020 through December 31, 2020).

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of September 30, 2020 and September 30, 2019

(Dollars in thousands)

	<u>September 2020</u>	<u>September 2019</u>
ASSETS		
Cash and Cash Equivalents	\$ 97,661	\$ 11,591
Investments, Net U.S. Treasury Securities	935,905	320,223
Accrued Interest Receivable - Investments	<u>1,066</u>	<u>1,364</u>
TOTAL ASSETS	<u>\$ 1,034,633</u>	<u>\$ 333,178</u>
LIABILITIES		
Accounts Payable	\$ 308	\$ 169
Dividends & Interest Payable	-	-
Regular Member Deposits - Liquidity Reserve	3,711	4,549
Other Liabilities	<u>119</u>	<u>2,720</u>
TOTAL LIABILITIES	<u>4,139</u>	<u>7,438</u>
MEMBERS' EQUITY		
Capital Stock Regular Members	575,661	290,856
Capital Stock Agent Members	418,198	-
Retained Earnings Prior Year	34,960	33,932
Retained Earnings Current Year	<u>1,675</u>	<u>952</u>
TOTAL MEMBERS' EQUITY	<u>1,030,494</u>	<u>325,740</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 1,034,633</u>	<u>\$ 333,178</u>

The balances in the statement above are preliminary and unaudited

**NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY
STATEMENTS OF OPERATIONS**

For the Periods Ended September 30, 2020 and September 30, 2019

(Dollars in thousands)

	<u>September 2020</u>	<u>Year-to-Date September 2020</u>	<u>Year-to-Date September 2019</u>
REVENUES			
Investment Income	\$ 455	\$ 4,221	\$ 4,746
Other Income	<u>-</u>	<u>-</u>	<u>3</u>
Total Revenues	<u>455</u>	<u>4,221</u>	<u>4,748</u>
EXPENSES			
Employee wages and benefits, net	75	511	261
Rent, communications, and utilities	2	20	21
Other	<u>12</u>	<u>119</u>	<u>98</u>
Total Operating Expenses	<u>89</u>	<u>650</u>	<u>381</u>
	<u>365</u>	<u>3,570</u>	<u>4,368</u>
Dividends & Interests	<u>209</u>	<u>1,896</u>	<u>3,416</u>
NET INCOME	<u>\$ 157</u>	<u>\$ 1,675</u>	<u>\$ 952</u>

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	2020	2019	2018
Dividend Rate First Quarter	0.75%	1.50%	1.00%
Dividend Rate Second Quarter	0.50%	1.50%	1.25%
Dividend Rate Third Quarter	0.25%	1.75%	1.25%
Dividend Rate Fourth Quarter		1.75%	1.50%

SELECTED RATIOS:	9/30/2020	9/30/2019
Stock & Retained Earnings/Total Assets	99.60%	97.77%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	0.40%	2.28%

	9/30/2020	9/30/2020	9/30/2019
	Month	YTD	YTD
Total Operating Expenses/Total Revenue	19.08%	14.80%	7.51%
Net Income(before Divds)/Total Revenue	80.22%	84.14%	90.91%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 39,754,348 shares; issued and outstanding: 19,877,174 shares)